

OIL AND GAS LEASE

Paid Up

AGREEMENT, made and entered into this 15th day of January 2010, by and between **FLEISCHAKER MINERAL COMPANY**

LLC, 100 N. Broadway, #2460, Oklahoma City, Oklahoma 73102, party of the first part, hereinafter called Lessor and **QUICKSILVER RESOURCES INC.**, 777 West Rosedale Street, Suite 300, Fort Worth, Texas 76104 party of the second part, hereinafter called Lessee.

WITNESSETH. That the said Lessor, for and in consideration of Ten and no/100 DOLLARS, cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto the said Lessee, for the purpose of investigating, exploring, prospecting, drilling, and operating for and producing oil and all gas of whatsoever nature or kind, including all associated hydrocarbons produced in a liquid or gaseous form, also including sulfur produced in association with oil or gas, hereinafter sometimes collectively referred to as "oil and gas", injecting gas, waters, other fluids, air and other gaseous substances into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines and other structures and things thereon to produce, save, take care of, treat, process, store and transport said oil and gas and other products manufactured therefrom situated in the **County of Tarrant, Texas**, described as follows, to-wit:

117.75 acres of land, more or less, out of the RUFUS KING SURVEY, A-905, the H. PERRY SURVEY, A-2016, the L.C. KING SURVEY, A-906 and the A.H. HAWKINS SURVEY, A-1906 in Tarrant County, Texas, being 157.75 acres described as First Tract in that certain Warranty Deed dated December 31, 1996 from Edith W. Medlin to Barbara Langston, recorded in Volume 12650, Page 1518 of the official Records of Tarrant County, Texas; Less and Except: the most western 40 acres of such 157.75 acres.

Containing 117.75 acres, more or less (hereinafter, "said land" or "leased premises").

It is agreed that this lease shall remain in force for a term of three (3) years from date (herein called primary term) and as long thereafter as oil or gas, or either of them, is produced from said land by the Lessee, or this lease is otherwise maintained in effect as provided herein.

In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor free of cost, in the pipeline to which it may connect its wells, the Twenty Two and One Half Percent (22.5%) of all oil (including but not limited to condensate and distillate) produced and saved from the leased premises.

2nd. To pay Lessor for gas of whatsoever nature or kind (with all of its constituents) produced and sold or used off the leased premises, or used in the manufacture of products therefrom, Twenty Two and One Half Percent (22.5%) of the gross proceeds received for the gas sold, used off the premises or in the manufacture of products therefrom, but in no event more than Twenty Two and One Half Percent (22.5%) of the actual amount received by the Lessee, said payments to be made monthly. During any period (after expiration of the primary term hereof) when gas is not being sold or used and the well or wells are shut in and there is no current production of oil or operations on said leased premises sufficient to keep this lease in force, Lessee may pay or tender to Lessor a royalty of One Dollar (\$1.00) per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next ensuing after the expiration of ninety (90) days from the date such well is shut in and thereafter on the anniversary date of this lease during the period such well is shut in. In no instance may this payment be less than Fifty Dollars (\$50). When such payment or tender is made it will be considered that gas is being produced within the meaning of the entire lease. A shut in royalty payment may only be used to extend the term of this lease for two (2) consecutive years.

If Lessee shall, on or before any shut-in-payment date, make a bona fide attempt to pay or deposit a shut-in payment to a royalty owner entitled thereto under this lease according to Lessee's records at the time of such payment, and if such payment or deposit shall be erroneous in any regard, Lessee shall be obligated to pay to such royalty owner the shut-in payment properly payable for the period involved, but this lease shall be maintained in the manner as if such erroneous

payment or deposit had been properly made, provided that Lessee shall correct such erroneous payment within thirty (30) days following receipt by Lessee of written notice from such royalty owner of the error accompanied by any documents and other evidence necessary to enable Lessee to make proper payment.

3rd. To pay Lessor for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas, Twenty Two and One Half Percent (22.5%) of the gross proceeds, at the mouth of the well, received by Lessee for the gas during the time such gas shall be used, said payments to be made monthly.

4th. It is agreed between the Lessor and Lessee that, notwithstanding any language herein to the contrary, all oil, gas or other proceeds accruing to Lessor under this lease or by state law shall be without deduction, directly or indirectly, for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and marketing the oil, gas and other products produced hereunder to transform the product into marketable form. Provided, however, any such costs which result in enhancing the value of the marketable oil, gas or other products to receive greater net proceeds may be deducted pro-rata from Lessor's share of production so long as they are based on Lessee's actual cost of such enhancement and so long as they do not result in lessening proceeds to an amount below those received by Lessor prior to enhancement.

If the Lessee shall commence to drill a well or commence reworking operations on an existing well within the term of this lease or any extension thereof, or on acreage pooled therewith, the Lessee shall have the right to drill such well to completion or complete reworking operations with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned. If after the expiration of the primary term hereof all production on this lease or lands pooled herewith shall cease for any reason, this lease shall nevertheless remain in full force and effect provided that within sixty (60) days of the date on which production ceases, production is restored or operations for drilling an additional well or reworking or recompleting an existing well are commenced and thereafter continuously prosecuted until production is restored.

Lessee is hereby granted the right at any time and from time to time to pool or unitize the leased premises or any portion or portions thereof, as to all strata or any stratum or strata, with any other lands as to all strata or any stratum or strata, for the production primarily of oil or primarily of gas with or without distillate. However, no unit for the production primarily of oil shall embrace more than 40 acres, or for the production primarily of gas with or without distillate more than 640 acres; provided that if any governmental regulation shall prescribe or permit a spacing pattern for the development of the field or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be so prescribed or as may be used in such allocation of allowable. Lessee shall file written unit designations in the county in which the leased premises are located and provide a recorded copy of same to Lessor. Operations upon and production from the unit shall be treated as if such operations were upon or such production were from the leased premises whether or not the well or wells are located thereon. The entire acreage within a unit shall be treated for all purposes as if it were covered by and included in this lease except that the royalty on production from the unit shall be as below provided, and except that in calculating the amount of any shut in gas royalties, only the part of the acreage originally leased and then actually embraced by this lease shall be counted. In respect to production from the unit, Lessee shall pay Lessor, in lieu of other royalties thereon, only such proportion of the royalties stipulated herein as the amount of his acreage placed in the unit, or his royalty interest therein on an acreage basis bears to the total acreage in the unit.

At the end of the primary term, or any extension provided for herein, this lease shall expire as to all depths below the stratigraphic equivalent of the base of the deepest producing formation and as to all lands outside of any producing unit(s) established for a well(s) on the leased premises or on lands pooled with the leased premises. If no unit has been established Lessee will retain the 40 acres surrounding the well(s) and the balance of the lease shall expire.

If said Lessor owns a lesser interest in the above leased premises than the entire and undivided fee simple estate therein whether stated hereinabove as whole or partial interest, then the royalties herein provided shall be paid to the Lessor only in the proportion which his interest bears in the whole and undivided fee.

Lessee shall have the right to use, free of costs, gas, oil and water produced on said land for its operations thereon, except water from wells of the surface owner..

When requested by the surface owner, Lessee shall bury his pipelines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the owner of the structure.

Lessee shall pay for all damages caused by its operations on the leased premises and hold Lessor harmless from any claims resulting from Lessee's activities.

Lessee shall have the right within a reasonable time after termination of this lease to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

Any structures and facilities placed on the leased premises by Lessee for operations hereunder and any well or wells on the leased premises drilled or used for the injection of salt water or other fluids may also be used for Lessee's operations on other lands in the same area.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns. However, no change or division in ownership of the land or royalties shall enlarge the obligations or diminish the rights of Lessee. No change in the ownership of the land or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or a true copy thereof. In case Lessee assigns this lease, in whole or in part, Lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules and Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or such failure is the result of any such Law, Order, Rule or Regulation.

Lessor shall be entitled, upon request, to copies of title opinions, drilling reports, state reports, wells test data, seismic data or other such information to the extent that the information requested relates to lands covered by this lease or pooled therewith. Any information provided Lessor shall remain confidential.

This lease shall be effective as to each Lessor on execution hereof as to his or her interest and shall be binding on those signing, notwithstanding some of the Lessors above named may not join in the execution hereof. The word "Lessor" as used in this lease means the party or parties who execute this lease as Lessor, although not named above.

Lessee may at any time and from time to time surrender this lease as to any part or parts of the leased premises by delivering or mailing a release thereof to Lessor, or by placing a release of record in the proper County.

Lessor makes no warranty, express or implied with respect to title to the lands herein described. Lessee shall have the right at any time to redeem for Lessor by payment, any mortgages, taxes or other liens on the above-described lands, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof.

IN TESTIMONY WHEREOF, we sign this the day indicated below.

FLEISCHAKER MINERAL COMPANY, LLC
Jolen Operating Company, Operating Manager

By:

Don McCombs, Jr., Vice President

STATE OF OKLAHOMA)
COUNTY OF OKLAHOMA)

BEFORE ME, the undersigned Notary Public in and for said County and State, personally appeared **DON McCOMBS, JR.**, known to me to be the identical person who subscribed the name of **JOLEN OPERATING COMPANY, OPERATING MANAGER OF FLEISCHAKER MINERAL COMPANY, LLC**, to the foregoing instrument as its Vice President, and acknowledged to me that he executed same as his free and voluntary act and deed for the uses and purposes therein expressed in the capacity therein stated.

GIVEN under my hand and official seal this 15 day of January 2010.

Jane Hammond
NOTARY PUBLIC



ADDENDUM 1

**Attached to that certain Oil and Gas Lease dated January 15, 2010,
Between Fleischaker Mineral Company LLC and
Quicksilver Resources Inc.**

**To the extent that the terms of this Addendum conflict with the terms of the Lease, the terms
of this Addendum shall control.**

1. Should Lessee be prevented by reason of *Force Majeure* from complying with any express or implied covenant of this Lease (other than a requirement to pay money), then while so prevented, that covenant will be suspended; Lessee will not be liable for damages for failure to comply therewith; this Lease will be extended so long as Lessee is prevented from conducting drilling or reworking operations on or from producing oil or gas from the Land; and the time while Lessee is so prevented will not be counted against Lessee. "*Force Majeure*" means any Act of God, any federal or state law, or any rule or regulation of governmental authority, or other similar cause (other than financial reasons) beyond the reasonable control of Lessee. A *Force Majeure* event may only suspend Lessee's obligations for a consecutive period not to exceed two years.
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After recording return to:
Quicksilver Resources Inc.
777 W. Rosedale Suite 300
Fort Worth, TX 76104
Attn: *Stacy Gumbert*

SUZANNE HENDERSON

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

STACY GUMBERT
QUICKSILVER RESOURCES INC
777 W ROSEDALE STREET 300
FTW, TX 76104

Submitter: TRISHA TORREZ

DO NOT DESTROY
WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 2/25/2010 4:19 PM

Instrument #: D210042824

LSE 5 PGS \$28.00

By: Suzanne Henderson

D210042824

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY
BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: DBWARD